TAB A

FINANCING THE WAR IN INDOCHINA
(millions of dollars)

	1953	1954
Present estimate of requirements		
French Expeditionary Corps	866	866
Reinforcements under Navarre plan	0	54
French Air Force and Navy	137	137
Total French forces	1003	1057
Associated States forces		
Regular Armies	335	400
Light battalions and support troops	43	196
Air and naval forces	9	23
Total	387	619
Total budgetary requirement	1390	1676
Financing of requirements		
French budget or equivalent		
French fiscal resources	975	690
U. S. financial assistance		
Presently available	258	426
Requirement yet to be financed	0	403
Total	258	829
Total French budget or equivalent including U. S. financial assistance	1233	1519
Associated States fiscal resources	157	157
Total budgetary resources	1390	1676
Total U. S. aid for Indochina		
Financial assistance (as above)	258	829
Military end-item program	255	429
Common-use program	30	30
Economic aid to Associated States	25	25
Total	568	1313
Total financing by France, Associated States and the U. S.		
Budgetary	1390	1676
Other	310	484
Total	1700	2160
Total U. S. financing as percent of total program	33%	61%

NOTE: U. S. fiscal year 1954 aid program is related to French calendar year 1954 budget program.

TAB B

U. S. AID TO FRANCE AND INDOCHINA
(millions of dollars)

	Program 1953	Proposed 1954	Appropriated 1954
I. Aid related to April memorandum*			
Mutual defense financing			
Attributed French NATO budget	169	100	85
Attributed Indochina budget	48	400	400
Total	217	500	485
Defense support assistance			
Attributed French NATO budget	158	0	0
Attributed Indochina budget	210[a]	0	0
Total	368	0	0
"Kitty" to cover partial costs of expansion Indochina forces	0	100	26[b]
Total aid related to April memorandum	585	600	511
II. Laniel request for aid to finance proposed Indochina program			829
Total U. S. aid now available for Indochina in relation to April memorandum			426
Requirement yet to be financed.			403

*Memorandum on aid prepared by U. S. delegation to the North Atlantic Council meeting in Paris and handed to the French Government by the U. S. delegation on April 26, 1953.

TAB B (Cont'd)

	Program 1953	Proposed 1954	Appropriated 1954
III. U. S. aid in addition to April memorandum			
Military end-item program: France	0[d]	364	291[c]
Military end-item program: Indochina	255	429	429
Common-use program for Indochina	30	30	30
Economic aid to Associated States	25	25	25
Total	310	848	775
IV. Total U. S. aid for France and Indochina			
Presently available funds	895	1448	1286
Requirement yet to be financed			403
Total			1689
V. Total military program of France and the Associated States, including U. S. assistance in all forms French military budget			
NATO and other areas	2730		2444
Indochina			
Present French budget plan	1233		1090
Additional U. S. financing requested	0		429
Total	1233		1519
Total French budget with U. S. support	3963		3963
Associated States military budgets	157		157
U. S. aid outside April memorandum	310		775
Total program with U. S. aid	4430		4895

	Program 1953	Proposed 1954	Appropriated 1954
VI. Total U. S. aid as percent total programs financed by U. S., France and Associated States			
Presently available funds	20%		26%
Including requirement yet to be financed			34%

NOTES:

U. S. fiscal 1954 aid program is related to French calendar 1954 budget program.

a. Figure arbitrary since attribution has not yet taken place: figure based upon 1952 experience, and also includes counterpart of $60 million provided out of fiscal 1953 appropriation, under April memorandum.

b. Available from unprogrammed portion of carry-over into fiscal 1954 of unobligated fiscal 1953 appropriations for Far East military aid.

c. Arbitrarily reduced 20 percent to reflect proportionate reduction in European military aid appropriation below figures proposed to Congress.

d. This figure shown as zero because of reprogramming which took place in course of the year, because of over-programming for France for the period FY 1950-1953; in effect, no net additional funds were therefore necessary for the French end-item program out of the 1953 appropriations.